

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2017 REGULAR SESSION**

MEASURE

2017 BR NUMBER **1174**

HOUSE BILL NUMBER **203**

RESOLUTION NUMBER _____

AMENDMENT NUMBER _____

SUBJECT/TITLE **An ACT relating to tax credits.**

SPONSOR **Representative Fleming**

NOTE SUMMARY

FISCAL ANALYSIS: IMPACT NO IMPACT INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT: STATE LOCAL FEDERAL

BUDGET UNIT(S) IMPACT: _____

FUND(S) IMPACT: GENERAL ROAD FEDERAL RESTRICTED AGENCY _____ OTHER

FISCAL SUMMARY

FISCAL ESTIMATES	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		(\$6,000,000)	See explanation below
EXPENDITURES			
NET EFFECT		(\$6,000,000)	See explanation below

() indicates a decrease/negative

MEASURE'S PURPOSE: If enacted, this bill would remove the \$3 million limit for tax credits that can be awarded during any calendar year.

PROVISIONS/MECHANICS: The bill amends KRS 154.20-236 related to the angel investment tax credit for calendar years 2017 and thereafter. The individual qualified investor limit of \$200,000 is maintained. However, the \$3 million limit for all qualified investors is removed, allowing the remainder of the \$40 million cap for the angel investment tax credit and the Kentucky Investment Fund to be used immediately.

FISCAL EXPLANATION: Approximately \$34 million of the \$40 million overall tax credits cap has been utilized to date. It is anticipated that the remaining cap will be immediately utilized.

DATA SOURCE(S): **LRC staff**

PREPARER: **Jennifer Hays** **NOTE NUMBER:** **42** **REVIEW:** **JRS** **DATE:** **2/13/2017**

LRC 2017-BR1174-HB203